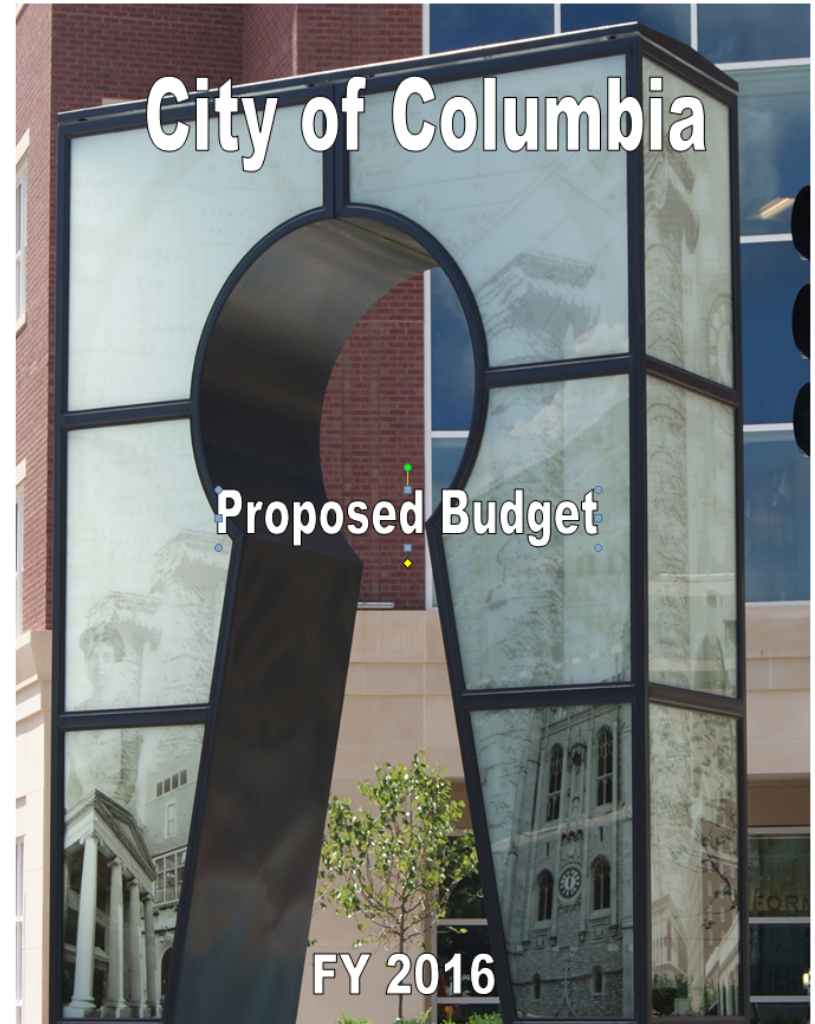


FY 2016 Budget Press Conference

Friday, July 24, 2015

Opening Remarks

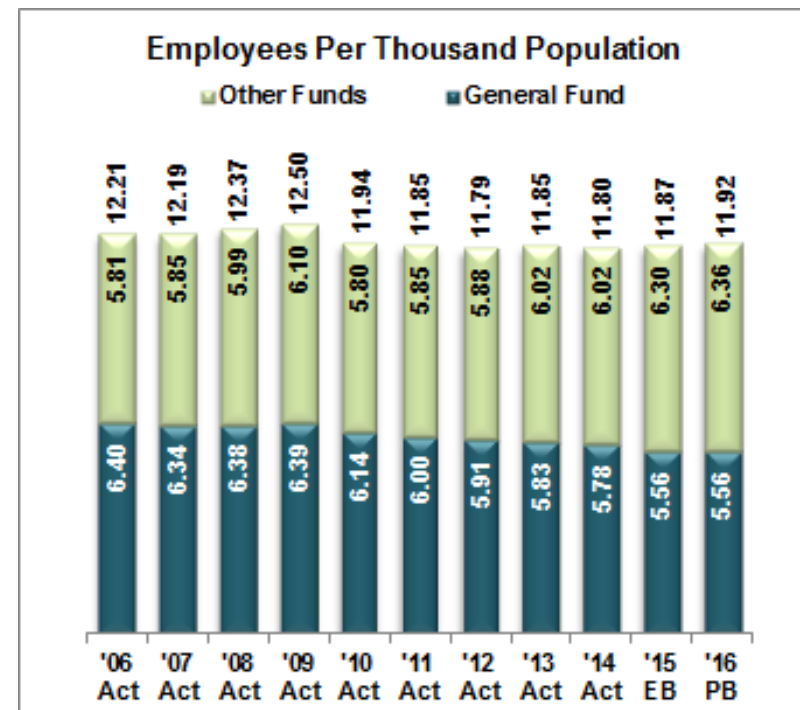
- **Reflects Council's goals and guidance**
- **New strategic priorities for FY 2016 - FY 2019**
- **Budget is available for viewing on our website at www.gocolumbiamo.com under the Financial Reports section**



Vital Signs

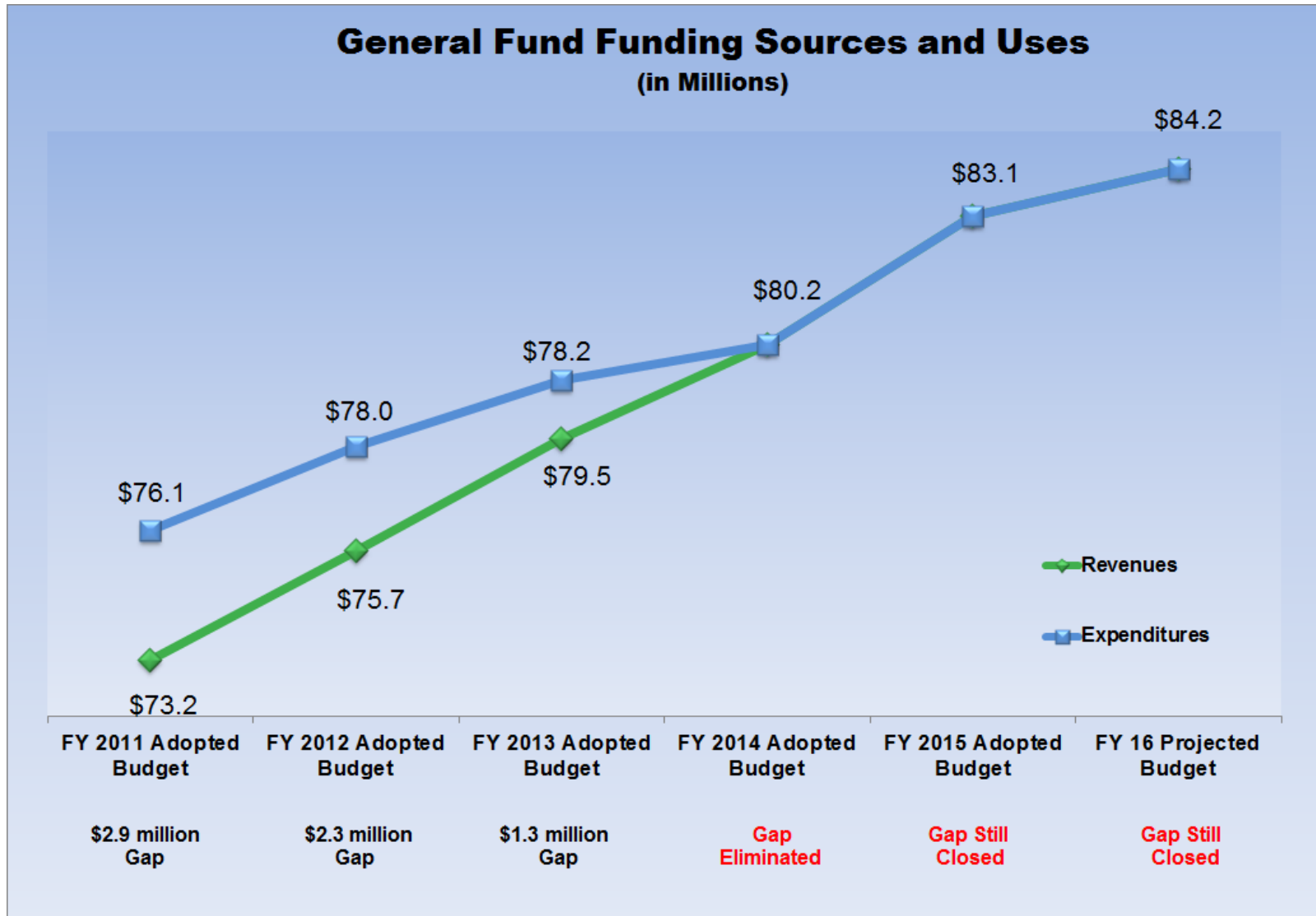
The Big Picture for FY 2016

- **\$441,882,868 total estimated spending**
- **\$411,918,140 total estimated revenues**
- **31.50 FTE positions net positions added**
- **1,449.30 total city permanent employees**
- **11.92 employees per thousand population**
 - up from 11.87 last year
 - down from 12.21 in FY 2006



Vital Signs

Balanced General Fund



Vital Signs

No New Taxes Imposed

- **August 4th - capital improvement sales tax renewal ballot (10 years)**
- **November 3rd - parks sales tax renewal ballot (6 years)**

Residential Utility Rate Impact

- **\$0.21/month storm water (*approved by voters in April, 2015*)**
- **No increases in residential rates for electric, water, sewer, or solid waste**

Vital Signs

Other Solid Waste Increases

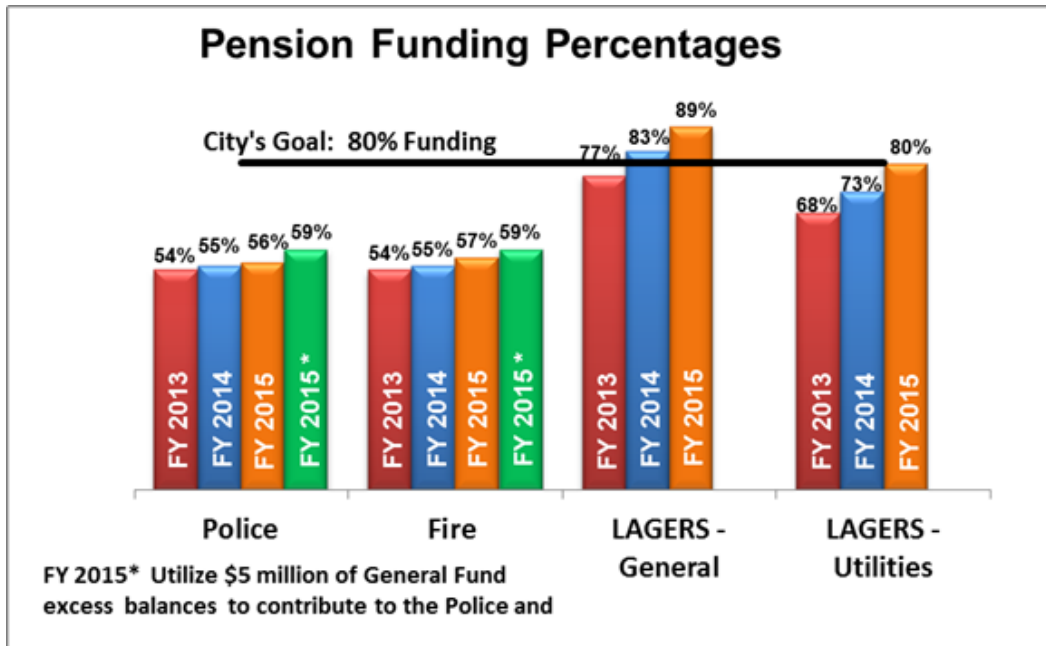
- **Commercial Rates - rebalanced**
- **Landfill rate increases**
- **See Budget in Brief for detail**

Parking Permit Rate Increases

- **\$5/month surface lot increase**
- **\$10/month uncovered garage increase (will be the same rate as covered)**

Vital Signs

Pension Funding Progress



- Pension plans were changed in FY 2013
- LAGERS plans are now at or above 80% funding level
- Recommend taking $\frac{1}{2}$ of excess General Fund balance (\$5 million) to contribute to Police and Fire to raise their funding levels

Vital Signs

Incentive Based Budgeting 2014 Savings

- **General Fund ended FY 2014 with a net savings of \$4.2 million**
- **$\frac{1}{2}$ (\$2.1 million) goes back to departments to spend on one-time projects**
- **$\frac{1}{2}$ (\$2.1 million) is available for the City Council to allocate through the budget process.**

Vital Signs

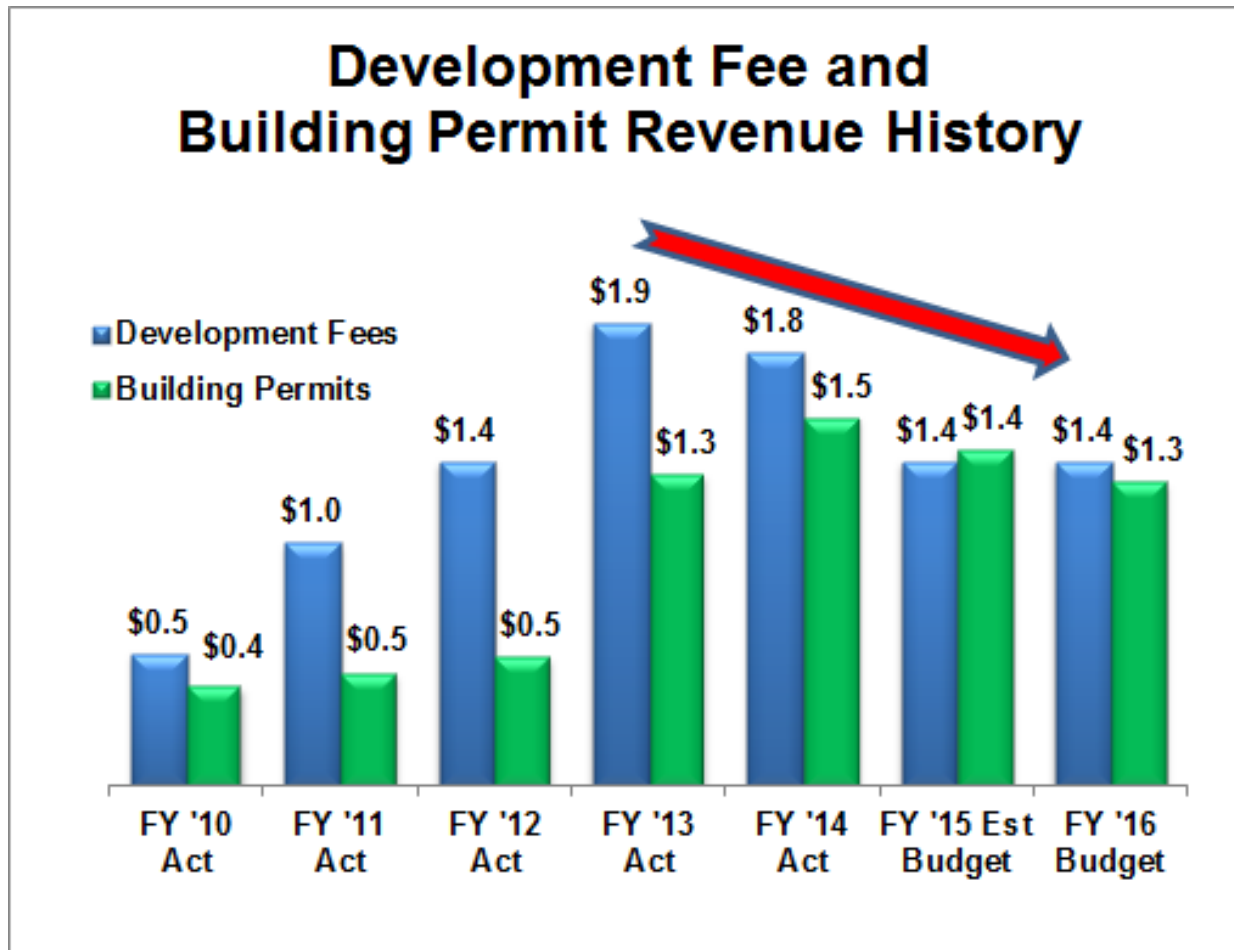
Incentive Based Budgeting 2014 Savings

Recommendations for the ½ for Council to allocate (\$2.1 million):

- 1. Veterans Welcome Home - \$500,000 for homeless veterans housing**
- 2. Energy efficiency - \$300,000**
- 3. Maplewood Home - \$150,000 for significant rehabilitation**
- 4. Four net-zero affordable houses - \$200,000**
- 5. Home-ownership program - \$100,000**
- 6. Cradle-to-Career - \$50,000 for early childhood learning**
- 7. Conduct focus group research - \$100,000**
- 8. Add funding to Airport terminal project - \$500,000**
- 9. Provide closed captioning of City Council meetings - \$5,000**
- 10. Add back to General Fund balance - \$178,494**

Vital Signs

Development Fee Revenue Down



Vital Signs

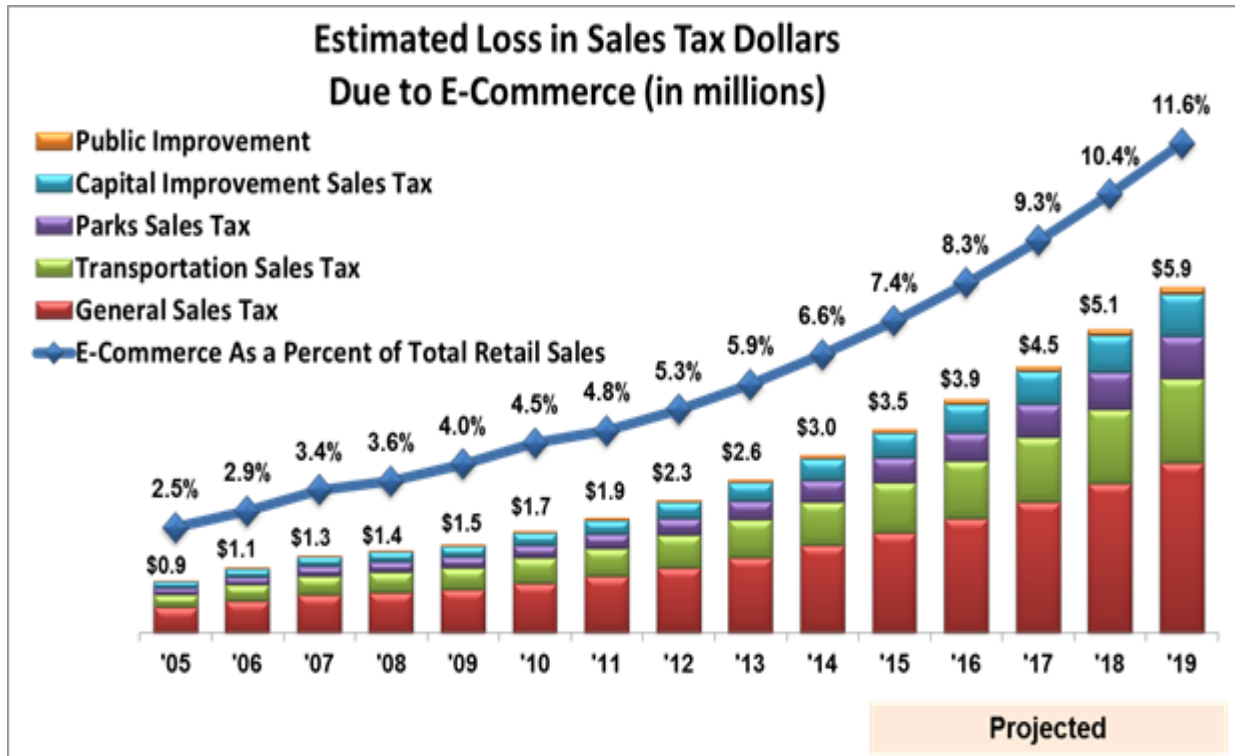
Municipal Court Collections Will Decrease

Senate Bill 5 - enacted this year

- **Caps fines and costs for minor traffic offenses**
- **Requires consideration of a person's ability to pay**
- **Prohibits jail sentences for failing to pay**
- **Court will not be able to suspend a driver's license for failure to appear or to pay a fine for a minor traffic violation**

Vital Signs

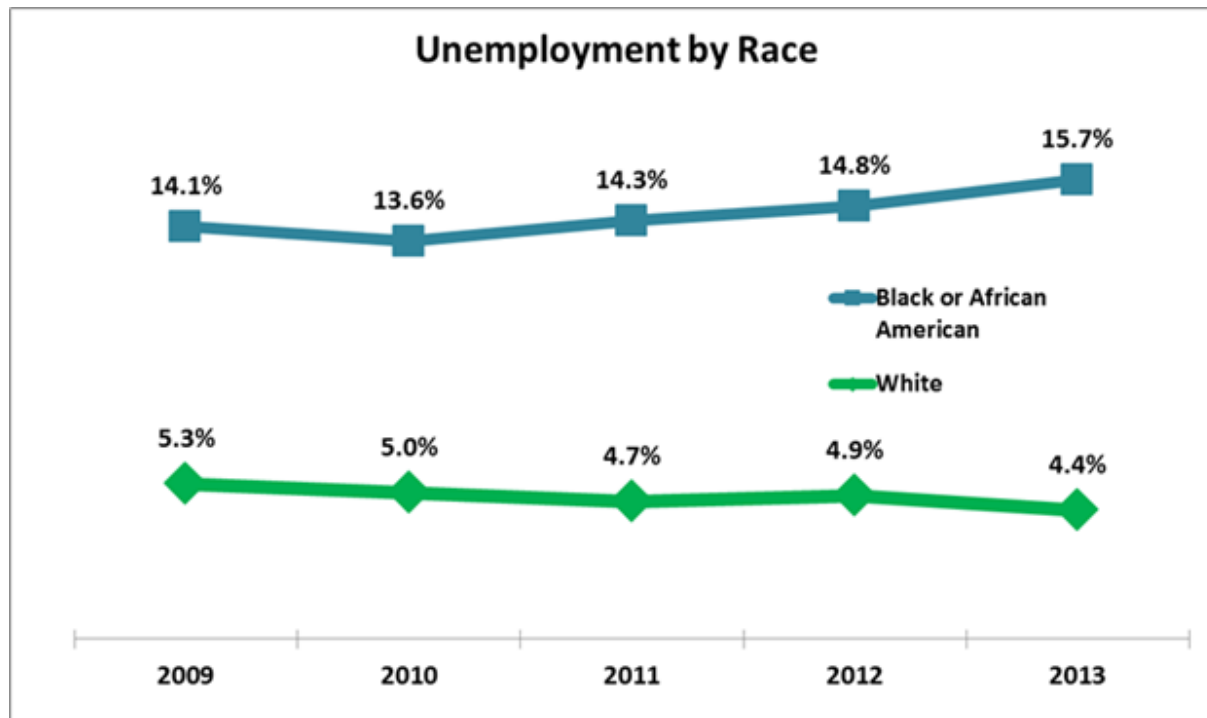
Continued Sales Tax Erosion due to Online Sales



We continue to lose resources that would otherwise pay for road and sidewalk repair, the bus system, the airport, parks, police, fire and nearly everything else outside of City utilities.

Columbia, a Tale of Two Cities

- The pain of the recession, post-recession, poverty, per capita income and skills is not equally shared among Columbians



- We prefer a community where everyone can thrive

Strategic Priorities

FY 2016 - FY 2019

- **Economy** (*Jobs that Support Families*)
- **Social Equity** (*Improving the Odds for Success*)
- **Public Safety** (*Safe Wherever You Live, Work, Learn or Play*)
- **Infrastructure** (*Connecting the Community*)
- **Operational Excellence**

Jobs that Support Families

Why It Is Important:

- **Poverty is increasing in Columbia, especially among blacks**
- **Violence and other conditions can tip the balance against success**
- **\$10.55/hour is the 1968 minimum wage equivalent compared to \$7.65 per hour today**
- **Black households make 60 cents on the dollar compared to white households**

Jobs that Support Families

Funding from our 2014 savings:

- **\$50,000 for Cradle to Career - support local partnership to identify best ways to help children and youth learn, graduate and attain skills needed for lifelong success**
- **\$500,000 for airport terminal project - one of our most important economic drivers**
- **\$10,000 to renovate our small business incubator and invigorate startup efforts with local entrepreneurs.**

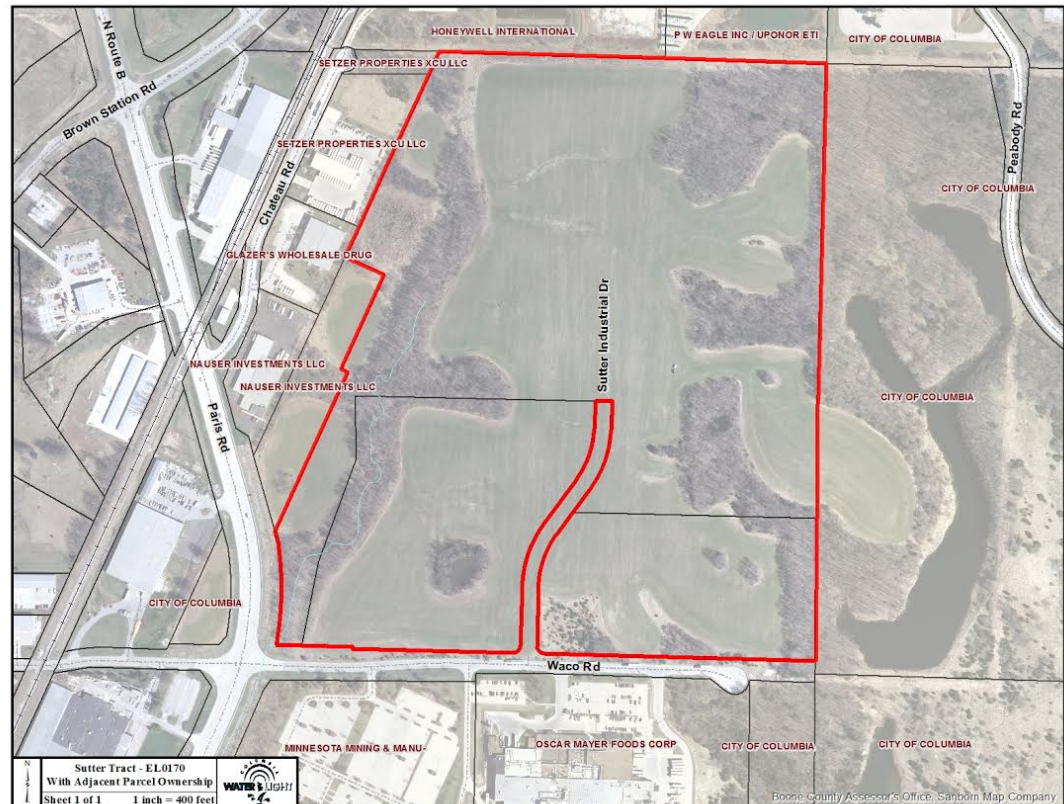
Jobs that Support Families

With a mix of other funding, both local and federal:

- **\$110,000 to contract with Job Point for vocational training services**
- **\$492,980 for CARE (*Career Awareness Related Experience*) partnership that pairs 235 at-risk youth (aged 14-20) with local businesses and agencies**
- **Add Tourism Services Specialist to help generate local income by attracting youth and amateur athletic events to Columbia**

Jobs that Support Families

- Continue conversation about commonly used tools which are proven to create jobs
- Attract Manufacturing Jobs to Sutter Tract - *Use one or more proven economic development tools to help develop this tract*



Improving the Odds for Success

Why It Is Important:

- **Compounding Impacts on the poor:**
 - **Lower wages**
 - **Substandard housing**
 - **Cost-burdening by rent and utilities**
 - **Not enough money for groceries, clothing, child care, transportation and other family expenses**
 - **Neighborhood feels threatening**
 - **Kids aren't playing outside**
 - **Inability to find or afford health care**
 - **Family illness can cause devastation to the family**
- **We have a moral imperative to not turn our backs on our fellow citizens**

Improving the Odds for Success

Funding from our 2014 savings and partnering with other local groups:

- **\$500,000 to support Welcome Home's new veteran's emergency shelter**
- **\$100,000 to help more families buy affordable first homes within City of Columbia's city limits**
- **\$200,000 to build four affordable homes with "net zero" energy use and with universal design features accessible to anyone, regardless of abilities**

Improving the Odds for Success

With other funding:

- **\$10,000 for overtime pay to police officers ensuring the security of those staying at Room at the Inn Winter Shelter**
- **\$50,000 in scholarships to help low-to-moderate income people use Parks and Recreation programs and facilities**
- **Continued investments to assure housing and rental code compliance, provide health and human services, and help paying utility bills.**

Safe Wherever you Live, Work, Learn and Play

Why It is Important:

- **Feelings about safety are personal and don't always add up with the facts**
 - *Violent crime is at a 30-year low in Columbia*
 - *Our Police Dept solves a higher percentage of crimes than most agencies in the country*
- **Public safety challenges**
 - *Community presence that promotes a sense of security*
 - *Need to find a reliable funding source to keep pace with increasing calls for police and fire service*

Safe Wherever you Live, Work, Learn and Play

This Budget:

- **Adds (4) Firefighters** - *provide full staffing to Station 2*
- **Adds (3) Police Civilian Positions** - *shifting work that does not require police powers*
 - **Public Information Specialist**
 - **Crime Scene Investigator**
 - **Police Trainer**
- **Provides Police presence in middle schools** - *City contribution of \$25,000 for off-duty officer program in middle schools*

Connecting the Community

Why It is Important:

- **Safe, reliable transportation and utility services are essential to our community**
- **Citizens care deeply about these networks**
- **Have multi-million dollar gap between needs and resources**

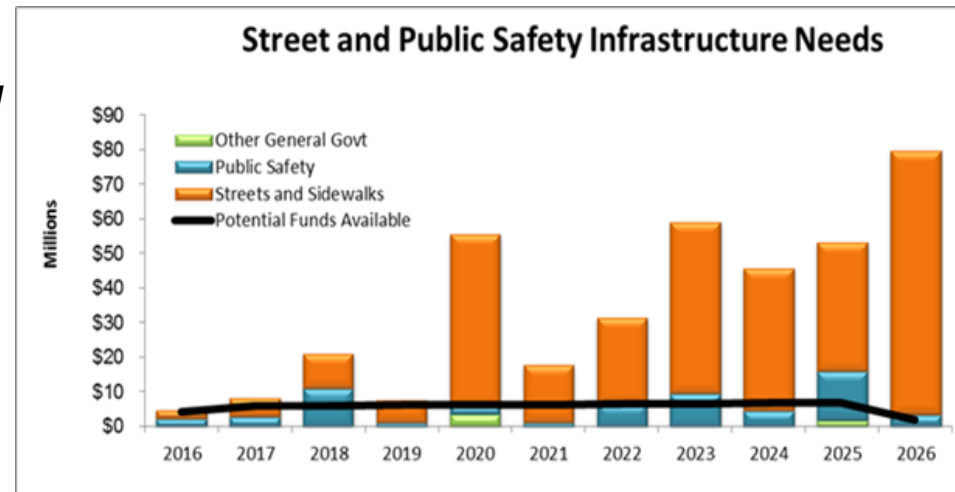
Connecting the Community

Street and Public Safety Infrastructure Needs

- **Ballot Issue to renew $\frac{1}{4}$ cent Capital Improvement Sales Tax for Ten Years**

(August 4, 2015)

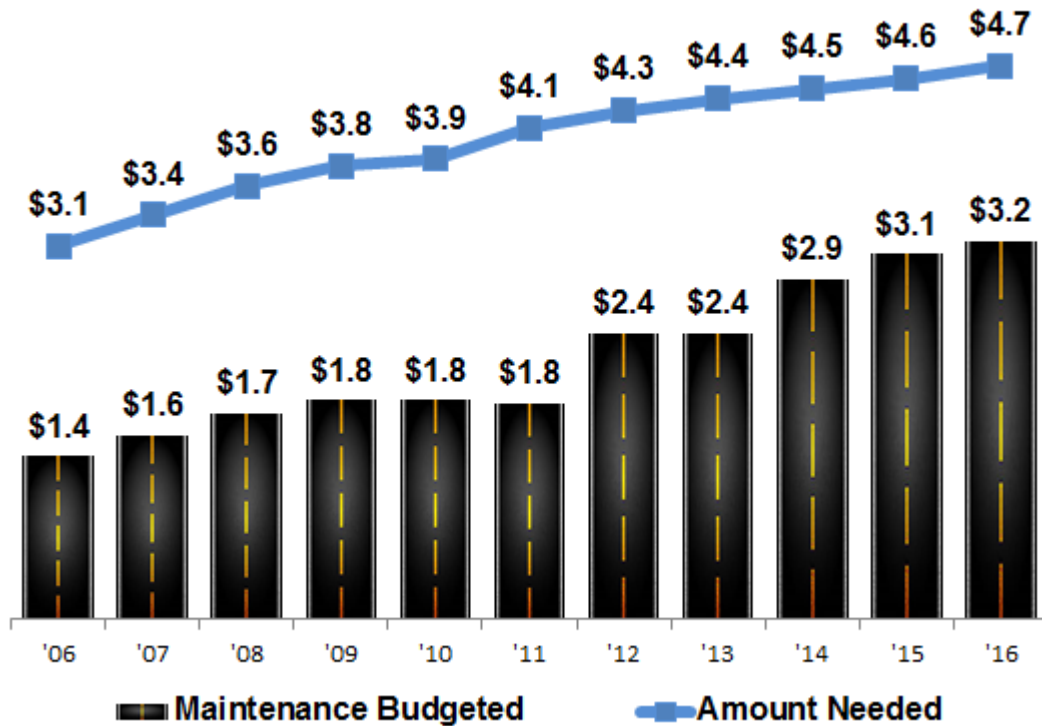
- ***Tax estimated to generate \$63.8 million over ten years and leverage a total value of \$99.3 million when combined with developer fees and county and state funds***
- ***Streets and sidewalk projects***
- ***Major and annual maintenance projects***
- ***Public safety building repairs and equipment***
- ***Two municipal service centers***



Connecting the Community

Resurfacing Streets

Street Maintenance Needs vs Budget

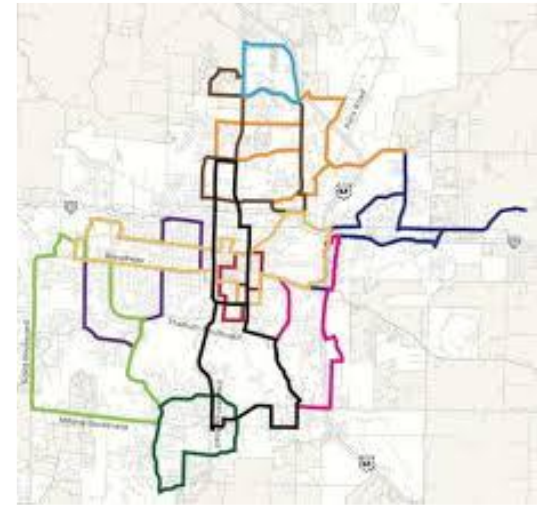


- Adds \$115,422 and (2) positions to increase street maintenance efforts
- It will take 54.77 years to resurface 1,354 lane miles
- We are \$1.5 million short of the amount needed

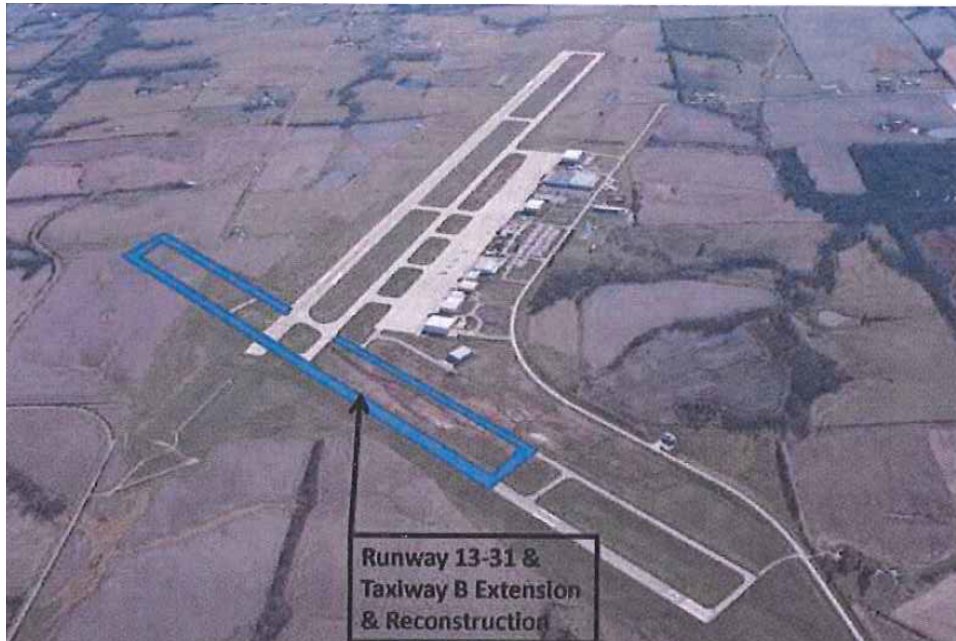
Connecting the Community

Transit

- **Celebrating 50 Years of service in September**
- **Increase operating subsidy by \$172,132 for FY 2016**
- **Contract for transit planning services to assure we're effective and efficient.**



Connecting the Community



Airport

- **Begin construction of an extension to runway 13-31 and the areas where planes turn around**
- **Replace aging Aircraft Rescue Fire-Fighting truck**
- **Recommend using \$500,000 of FY 2014 General Fund savings to add to the airport terminal project**



Connecting the Community

Parks Projects

Complete remaining 2010 parks sales tax projects:

- **Resurface Fairview Tennis Court**
- **Roof replacement at Albert-Oakland Family Aquatic Center**
- **Rock Quarry Park lighting improvements**
- **Natural Open Space Master Plan**

Trail Projects

Non-Motorized Grant Projects:

- **Clark Lane West and Hinkson Trail/Pedway Connector**
- **County House Trail/Pedway Phase 2**

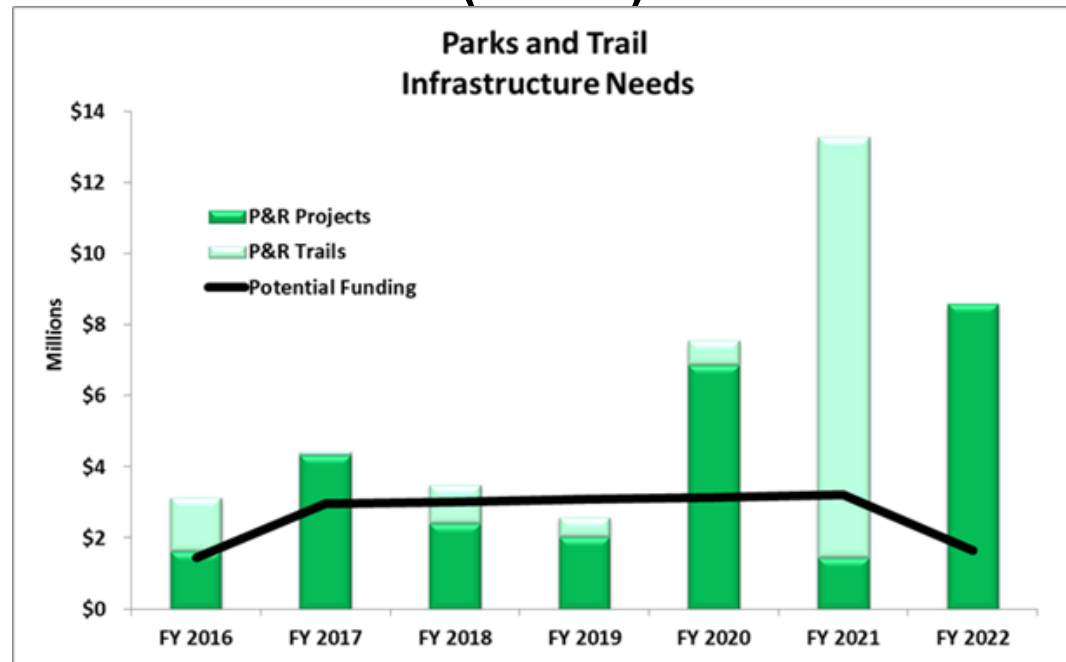


Connecting the Community

Parks and Trails

Ballot Issue to renew 1/8th cent temporary parks sales tax for the next six years *(November 3, 2015)*

- Estimated to generate \$18.4 million
- Improvements at existing parks and facilities (53.5%)
- New parks facilities, park development, trails, and greenbelts
- Land acquisition and annual improvements



Connecting the Community

Electric

Passage of ballot issue in April 2015 will fund many critical capital projects in FY 2016

- **Mill Creek substation connection to Grindstone and Perche substations**
- **Reconfiguring substation feeders to off-load a heavily loaded substation and distribution lines**
- **Undergrounding distribution lines in the transmission corridor**

Connecting the Community

Water

- Upgrade a water main in Gregory Heights District
- Crown Point - complete a loop to Spring Valley
- Main replacement on Westridge Drive from West Broadway to Rollins Road

Solid Waste

- Start design of new landfill cell
- Build an Administration and Collection Facility at Landfill

Connecting the Community

Storm Water

- **Passage of the April 2015 ballot issue will provide much needed funding for our aging storm water system.**
- **Replace metal pipe on Rollins Road at Rock Creek**
- **Replace culverts on Sinclair Road at Mill Creek**

Operational Excellence

Reorganization

- **Better Coordination of Development and Utilities**
 - **Add Deputy City Manager - John Glascock - over all utilities, Community Development, GIS and Public Works**
 - **Director of Utilities - Tad Johnsen - Water, Electric, Sewer, Solid Waste, Storm Water, and Utility Billing**
 - **Director of Public Works - Dave Nichols**
 - **Delete Assistant Public Works Director position**

Operational Excellence

Reorganization

- **Centralize Litigation Work**
 - Moving much of the litigation work from Risk Management to Law
 - Add Paralegal position to coordinate
- **Enhance Community Relations**
 - New Community Relations Director to be the primary liaison with the news media, managing the City's approach to public information, news conferences, social networks, the City Channel and the Contact Center

Operational Excellence

Energy Efficiency

- **\$300,000 FY 2014 savings - energy efficient projects to reduce our electricity use and shrink carbon footprint**
- **Opportunities for the community**
 - **Water and Light's Home Performance with Energy Star and Enhanced Home Performance**
 - **Community Development's Home Repair**
 - **CoMO Energy Challenge**
<http://www.gocolumbiamo.com/comoenergy/>

Operational Excellence

Use of Compressed Natural Gas

- **City Goal - 15% of City fleet using CNG**
 - 6% currently converted
 - 9.7% in FY 2016
- **As of June, City is above monthly CNG requirement without adding in public consumption**
- **\$23,957 - Estimated savings to date of CNG over diesel**
- **\$35,935 - Estimated savings by the end of the year**



Operational Excellence

Electric Buses

- **1st city to use electric buses in Missouri**
- **Lease four buses for one year**
- **Evaluate the viability of using electric buses in our fleet**



Operational Excellence

Accreditation - *the highest external validation of performance excellence an organization can achieve*

- **Convention and Visitors Bureau** - *1st time accreditation by Destination Marketing Accreditation Program* 
- **Public Works** - *has been accredited by American Public Works Association since 2001*
 - *seeking re-accreditation in FY 2016*
- **Police Department** - *making significant progress toward accreditation from Commission on Accreditation for Law Enforcement Agencies.*
- **Public Health and Human Services** - *making progress on accreditation from Public Health Accreditation Board - site visit next spring*

Operational Excellence

Pay and Benefits

- **Classification, Compensation Plan Implementation**
 - **Market adjustments made to minimum, midpoint, and maximum pay rates**
 - **78 employees recommended to receive an increase to the new market minimum for their classification**
 - **315 permanent employees will receive a time in class pay adjustment**
 - **2% across the board raise for permanent employees**

Operational Excellence

Pay and Benefits

- **No health insurance premium increases for employees or dependents**
- **Hearing aids will now be available through the plan**
- **\$50,000 tuition reimbursement plan**
- **Safety shoe allowance increased from \$75 to \$150**

Operational Excellence

Listening to the Public

- **\$100,000 for focus group research**
- **Annual citizen satisfaction survey scheduled in FY 2016**
- **Additional staff to handle citizen questions through Contact Center and Utility Customer Services**

Where to find the Budget

- **On the Web** - www.GoColumbiaMo.Com
(under the Financial Reports section)
- **Hard Copy** - available for review at City Hall
in the City Clerk's Office (2nd floor)
or in the Finance Department (5th floor)

Public Budget Sessions

- **Monday, August 17th** - first public hearing at regular City Council meeting
- **Saturday, August 22nd** - City Council budget work session
- **Tuesday, September 8th** - Public hearing during regular City Council meeting
- **Monday, September 21st** - Public hearing during regular City Council meeting

